

IRS News Release

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New Tax Scam Targets Potential Recipients of Advance Child Tax Credit

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WASHINGTON — The Internal Revenue Service today issued a consumer alert, warning taxpayers about a new scam targeting potential recipients of the Advance Child Tax Credit.

The IRS has seen isolated instances of this new scheme. A taxpayer receives a telephone call from a person who promises to speed up the payment of the Advance Child Tax Credit checks. The catch is the taxpayer must agree to a \$39.99 charge to a credit card.

The IRS reminds taxpayers that no person or organization can “speed up” the payment of tax benefits. In reality, taxpayers do not have to take any action to get the new benefit, which features an advance payment for up to \$400 per qualifying child. The Treasury Department and IRS will perform all the calculations and automatically mail a notice and a check to each eligible taxpayer, beginning the week of July 25.

“The only thing the taxpayer needs to do is cash the check,” said Mark W. Everson, IRS Commissioner. “If you qualify, we will send you a notice. There’s no need to call, no need to apply, no need to fill out another form. The IRS will do all the work. A few days after the notice, you will get the check.”

Under the new scam, the IRS is seeing the continuation of a trend that emerged earlier this year when the families of those serving in the Armed Forces were targeted. In both of these schemes, scam artists use current events to prey on unsuspecting victims. The scams also feature callers seeking credit card information to get taxpayers to pay for special benefits.

If the taxpayer agrees to the charge and provides a credit card number or other sensitive personal information, she could find a much larger charge to her account. By the time the taxpayer realizes something is wrong, the scam operator is long gone, possibly victimizing another taxpayer.

If you encounter this latest tax scam or suspect tax fraud or abuse in some other situation, report it to your nearest Internal Revenue Service office. When in doubt, seek help from the IRS or a tax professional.

You can call the IRS tax fraud hotline at 1-800-829-0433.

Additional information on tax scams may be found on the IRS Web site, IRS.gov. Go to The Newsroom page and then click on the “Scams/Consumer Alerts” link under the Topics sidebar.

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